

FISCAL MEMORANDUM

HB 2753 – SB 3191

March 25, 2008

SUMMARY OF AMENDMENT (015581): Requires that every newborn infant be screened for hearing loss, unless a parent objects on religious grounds. Requires the results of all hearing screenings be reported to the Department of Health. Requires insurance policies to cover the infant hearing screening tests.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Not Significant

Other Fiscal Impact – The Department of Health currently receives a \$150,000 federal newborn hearing screening follow-up grant from the Department of Health and Human Services. Such grant could be placed in jeopardy if required reporting data was not properly reported to the Department of Health.

Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation would result in a not significant increase in the cost of health insurance premiums for plans that do not currently offer hearing screenings for newborns.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures - Not Significant

Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation would result in a not significant increase in the cost of health insurance premiums for plans that do not currently offer hearing screenings for newborns.

Assumptions applied to amendment:

- There will not be a significant increase in state expenditures for the Departments of Health and Education to promulgate rules.

- There will not be a significant increase in state expenditures for the Department of Health to refer children to the Tennessee Early Intervention System (TEIS) for appropriate services.
- There will not be a significant increase in state expenditures to the TEIS to provide services for referred children.
- The TennCare program currently reimburses plans for hearing screening services. Such screenings are also included in the bundled payments to hospitals by Managed Care Organizations (MCO). MCOs budget and pay for such screenings in alternative settings for the infants not delivered in hospitals.
- All hospitals or birthing facilities not containing the necessary testing equipment will refer individuals to a hearing screening provider.
- Local health departments will refer newborns which were born outside of a hospital to a hospital of hearing screening provider with the necessary testing equipment.
- The Department of Health is not responsible for reimbursing health care providers for testing newborns that were born outside of a hospital or birthing facility setting.
- The Department of Health currently receives a \$150,000 federal newborn hearing screening follow-up grant from the U.S. Department of Health and Human Services. Such grant should not be placed in jeopardy because the results of the screenings are required to be reported to the Department.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/kml